

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION
(Include Holding Company Where Applicable)

First Busey Corporation

Point of Contact:	David B. White	RSSD: (For Bank Holding Companies)	1203602
UST Sequence Number:	352	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	100,000,000	FDIC Certificate Number: (For Depository Institutions)	16450
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	N/A	City:	Champaign
Date Repaid ¹ :	N/A	State:	Illinois

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

☒ **Increase lending or reduce lending less than otherwise would have occurred.**

During 2010, we originated \$710 million of mortgage loans, most of which were sold in the secondary market. Additionally, although our loan portfolio decreased significantly, we were able to continue to lend to our core customer base.

☐ **To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).**

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

First Busey Corporation

☒ **Increase securities purchased (ABS, MBS, etc.).**

0

☐ **Make other investments.**

☐ **Increase reserves for non-performing assets.**

☒ **Reduce borrowings.**

We were able to complete an additional capital raise during 2010, yielding net proceeds of \$84.3 million. The additional funding allowed us to reduce higher cost funding sources such as borrowings and time deposits.

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION
(Include Holding Company Where Applicable)

First Busey Corporation

☐ Increase charge-offs.

☐ Purchase another financial institution or purchase assets from another financial institution.

☐ Held as non-leveraged increase to total capital.

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION
(Include Holding Company Where Applicable)

First Busey Corporation

What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

First Busey Corporation

What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

The TARP CPP proceeds and our subsequent capital raises allowed us to continue to serve our customer base and maintain our support of our communities as we dealt with the substantial loan issues within our portfolio, particularly in the southwest Florida marketplace. In addition, the TARP CPP proceeds have made it possible for us to contemplate external growth opportunities.

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION
(Include Holding Company Where Applicable)

First Busey Corporation

Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.